

Exhibit D

ADMINISTRATIVE GUIDELINES

UTILITY SERVICES

SUBJECT: Operation & Administration of Chapter 58 of the Surprise City Code

PURPOSE: The following policy and procedures have been established by the City to implement a consistent and efficient process by which Chapter 58 of the Surprise City Code will be administered.

POLICY & PROCEDURES:

I. Request for Service

- A) A request for Utility Services (water, sanitation, or sewer service) must be made by a potential customer to Contractor by calling the Contractor's dedicated customer service number (1.888.300.3569). A Utility Services account will be established upon provision to the Contractor of necessary information to open the account.
- B) Each water meter in the City of Surprise Water Service Area will be assigned a Premise Number and, when applicable, a customer Account Number.
- C) If the Contractor cannot provide same day connection service, and the customer is requesting same day connection for a City water service, the Contractor will contact the City to perform the connection/turn on service. The City will promptly notify the Contractor of the meter read data when the connection/turn on service is performed.

II. Utility Services – Deposits

- A) A Security Deposit, in the amount equal to the sum of three (3) times the base rate for each water, sanitation, and residential sewer service and \$75.00 for each commercial sewer service being provided to each account, will be included in the first billing for the following:
 - 1. All multi-family and commercial accounts
 - 2. Single-family residential account customers **not** in "good standing"- A customer is not in good standing if the customer has had a City utility account, within the last 12 months, with any of the following:
 - a. More than one late charge;
 - b. A final notice;
 - c. Non-payment of outstanding balance;
 - d. Returned check charges;
 - e. Connection/disconnection charges;

- f. A stop payment;
 - g. Credit or debit card declinations or termination of automatic payment (EFT) with no subsequent payment arrangements;
 - h. Any other failure to secure payment to the City for utility services;
 - i. Involuntary disconnect; or
 - j. Defaulting on a payment plan
- B) Hydrant / Construction Meter Accounts – A security deposit of \$500.00 is required at the time of application for service.
- C) The security deposit will be non-interest bearing and will be applied to a customer's account at the time the account is closed and a final bill issued, and then the deposit will be applied to the outstanding charges to each service on a pro rata basis.
- D) Any security deposit remaining after it is applied to outstanding balance per (C) above, will be returned to the customer within six (6) weeks following account closure or termination.
- E) Security deposits for owner-occupied, single-family residential accounts may be refunded, at the sole discretion of the City, after (12) consecutive months of timely payments and upon the submission of a written request to the City Manager, or designee, to refund the security deposit. If the City Manager, or designee, approves a request for a refund of the security deposit, the City will inform the Contractor of such decision.
- F) Commercial, hydrant/construction meter, multi-family, and non-owner-occupied accounts will not be eligible for an early refund of the deposit. Deposits will be applied to any outstanding balance on the account at the time the account is closed and a final bill is issued. Any remaining balance will be refunded at this time.

III. Utility Rates and Administrative Fees

- A) Utility rates will be established by the City Council. Administrative fees are currently:

Establish /Reestablish Service During Normal Hours Fee	\$32.00
Establish / Reestablish Service After Normal Hours Fee	\$43.00
Disconnect Services for Non-Payment Fee	\$32.00
Process NSF /Returned Payment Fee	\$12.00
Reread Confirming an Accurate Meter Read Fee	\$5.00
Meter Testing Fee	cost
Failure to Cancel Pre-Pay Election and Conversion Fee	\$75.00
Sanitation Temporary Suspension Fee	\$55.00

IV. Collection & Delinquency

- A) Customer bills for service will be due and payable twenty (20) days from the date of the bill.
- B) If payment is not received by the due date, the account will be deemed delinquent.
- C) If payment is not received within four calendar days of the due date, the account will be charged a late fee of 1.5% of the delinquent amount per month.
- D) All monthly bills issued by Contractor to customers will indicate the past due amount, if any, the amount due for the current service period and the total amount due.
- E) Customers will remit payment to Contractor.

V. Termination of Service (Final Bill)

A) Voluntary Termination of Service

1. Customers must notify the Contractor no less than three business days prior to intended termination of service date in order to terminate service.
2. Customer must provide forwarding address or settle account.
3. Until the customer provides notice to Contractor pursuant to this section, the account will be regarded as active and the customer utility liability will continue.
4. A final bill will be generated and mailed for all charges for services provided to the account.
5. A customer can voluntarily discontinue sanitation services temporarily pursuant to Section VI, and the Surprise City Code
6. A customer can voluntarily discontinue sewer services only if the customer discontinues all utility services to the property.

B) Involuntary Termination of Services/Disconnection for Non-Payment

1. A delinquent account, as defined in Section IV (B), above, with a balance of \$25.00 or greater will be disconnected pursuant to this subsection.
2. A Notice of Pending Termination of Service will be mailed to the billing address by Contractor no less than 10 days prior to disconnect.
3. If entire past due amount is not paid, or a payment plan entered into pursuant to Section IX, by the disconnection date indicated in the Notice of Pending Termination, services will be disconnected without further notice.
4. If services are disconnected for non-payment, service disconnection and reconnection fees will be assessed to the account and are due and payable prior to reconnection of services.
5. Payment arrangements for accounts for which services have been disconnected will be made on a case-by-case basis pursuant to Section IX.

VI. Suspension of Sanitation Service

- A) Residential City sanitation customers can temporarily suspend their trash/recycling services for four months or longer, pursuant to current Surprise City Code. City Code will supersede any conflicts regarding the suspension provisions herein.
1. Customers must notify the City's Public Works Department (623.222.6000) to request the suspension and provide the following:
 - a. Customer name
 - b. Address
 - c. Start date for service suspension
 - d. Resume date of service
 2. Customers must then put their trash and recycling cans at the curb at the start date of the temporary trash suspension
 3. The City will notify the Contractor of the start date and the return date for the suspension.
 4. The Contractor will bill the customer for the sanitation temporary suspension fee on the customer's next billing following the requested date of suspension.
 5. Customer must contact the City's Public Works Department if there are any changes to the resume date
 6. The City will return the cleaned cans by the customer provided resume date and the Contractor will begin billing the customer for sanitation service from the customer provide resume date.

VII. Medical Emergency Certificate

- A) City water customers may request a Medical Emergency Certificate from the Contractor if a member of their household is seriously ill or is afflicted with a medical condition that will be aggravated by the termination of water service.
- B) The request must be filled out by the customer, signed by a medical doctor, and returned to the Contractor.
- C) The account is put on a 10 day hold when the customer initially requests the certificate; if the customer has not returned the certificate to the Contractor in 10 days, the account will be taken off hold, and collection activities will be resumed if the account is delinquent.
- D) City water customers are allowed two certificates within a 12 month period, with each certificate being effective for 30 days and may be renewed for an additional 30 days upon review by the Contractor.
- E) The certificate does not relieve the customer's obligation to pay for utility services or administrative fees.

- F) If the account has been disconnected prior to the Contractor receiving the certificate, the account will be reconnected prior to the customer payment of the reestablishment and disconnect fees after the receipt of the certificate by the contractor.

VIII. Adjustments

- A) Requests for adjustment to an account must be made in writing to the Contractor by the Customer, prior to the bill becoming delinquent. A request for adjustment will not extend any deadlines for payment set forth in this Guideline.
- B) The request must include the following:
1. Account Number
 2. Name of the Account Holder
 3. Service Address
 4. Billing Address
 5. A detailed and legible statement of why the request is being made
 6. The amount of the adjustment being requested
- C) Adjustments by Contractor
1. Requested adjustments of \$50 or less will be made at the discretion of the Contractor
- D) Adjustments by City
1. Requested adjustments greater than \$50 will be forwarded for determination by the City Manager, or designee.
 2. Adjustments will be made on a case by case basis, consistent with the Surprise City Code and the Administrative Guidelines for Utility Services.
 3. There will be no water adjustments for leaks that occur on the customer's side of the water delivery system.
 4. Under no circumstances will the City make an adjustment under this subsection more than one time per any one year period.
- E) The decision maker, i.e. the City Manager, or designee, or Contractor, will notify the customer in writing of the decision relating to an adjustment.
- F) All decisions of the City Manager, or designee, or Contractor, as applicable, are final.
- G) City of Surprise utility service customers will not be billed for such services more than 120 days after the billing cycle in which the services were received.

- H) City of Surprise utility service customers who have been erroneously charged for services, or who are otherwise due a credit, will receive an account adjustment to correct any such error if discovered within 120 days from the time the error occurred. The credit cannot exceed the actual charges or transfers posted to the account.

IX. Payment Arrangements

- A) Request for a payment plan for past due balances must be made to the Contractor.
- B) Payment plan arrangements will not be permitted for required deposits or pre-paid utility charges.
- C) The period for a payment plan will not exceed the length of time that it took to incur the debt.
- D) Any payment plan will require the full payment of ongoing charges.
- E) The customer will be issued a letter outlining the payment plan arrangements.
- F) Default on a payment plan will result in termination of services consistent with section V.
- G) For purposes of determining a reasonable payment plan schedule, the following conditions will be considered:
 - 1. Balance of delinquent account
 - 2. Customer's ability to pay
 - 3. Customer's payment history
 - 4. Length of time debt has been outstanding
 - 5. Any other relevant factors related to the circumstances of the Customer
- H) Customers who request a payment plan before the account becomes delinquent will not incur a late fee.
- I) Customers who request payment plan after the account becomes delinquent but before termination of services will incur late fees and penalties. Once payment plan has been approved and is being followed, no additional late fees will apply for balances covered by the pay plan.
- J) All other payment plan requests will be decided on a case by case basis and approved by the City Manager, or designee.

X. Annual Prepayment of Residential Sanitation and Sewer Services

- A) Election - Customer election to prepay annual sanitation and/or sewer service charges must be made to Contractor. Once the prepay election is made, it applies for the full calendar year unless the account is closed.
- B) Annual Payment - Customers that elect the prepay option will be charged the prorated portion of the annual charge for the remainder of the then current year, beginning the billing cycle following receipt by the Contractor of written confirmation of the election. Once a customer elects the prepay option, the customer will automatically be enrolled for each subsequent calendar year and will be billed in the first billing cycle after January 1 of each calendar year.
- C) Customers who do not pay the full amount of the annual prepay charge when due will automatically be converted to a month-to-month service charge and will be ineligible for the prepay option for the remainder of that calendar year.
- D) Customers who elect to prepay annual sanitation and/or sewer service charges will receive a discount of 5%.

XI. Meters

- A) Each "City of Surprise" water service area water meter and sewer service area water meter will be read monthly.
- B) The City will read all hydrant/construction meter accounts when they meter is connected/disconnected to the system and provide the Contractor promptly with all necessary meter read detail for billing; the City will provide the meter detail to the Contractor with the meter location. The Contractor will read the meters monthly and notify the City of when a hydrant/construction meter account is to be disconnected/closed.
- C) If a meter cannot be read for three (3) consecutive months due to blocked, covered or obstructed meter access; repeated or continuing circumstances including locked gate(s), property maintenance conditions, or vicious animals; or any other condition or circumstance not caused by the City or the Contractor, water service to the property may be disconnected.
- D) Only a City authorized agent or employee may turn on/off or make a connection/disconnection to the City water supply.
- E) Contractor will provide keys to the meter locks. The City will immediately notify the Contractor of every instance of unlocking or locking a meter and if the City cannot account for the keys.
- F) At the customer's request, the Contractor will re-read the customer's meter within ten (10) business days. The Contractor will provide the City with a weekly report detailing the account information and meter usage of all re-read meters.

- G) If the City or Contractor determines the original reading to be in error by more than 2% in comparison to the original reading, including an adjustment for reasonable usage, then the re-read will be at no charge to the customer. In all other cases, the customer will pay the City's costs of the re-read.

XII. Miscellaneous

- A) Customer Service inquiries should be directed to the Contractor's Customer Service Center at 1.888.300.3569.
- B) All other complaints will be made in writing to the City Manager, or designee.
- C) The City will immediately terminate services for and may pursue any and all legal action against any person that negligently or willfully breaks, damages, destroys, defaces, or tampers with any part of the water delivery system or wastewater collection systems.